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ATTORNEYS FOR THE
CONGOLEUM PLAN TRUST

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

IN RE:	)	**Case No. 09-04371 (JAP)**
	)	
CONGOLEUM CORPORATION,	)	**Chapter 11**
CONGOLEUM SALES, INC., and	)	**Case No. 03-51524**
CONGOLEUM FISCAL, INC.,	)	
	)	**Jointly Administered**
Reorganized Debtors.	)	
	)	

NOTICE OF FILING OF ANNUAL REPORT, FINANCIAL STATEMENTS AND RESULTS OF OPERATIONS OF THE CONGOLEUM PLAN TRUST FOR FISCAL YEAR ENDED DECEMBER 31, 2025

PLEASE TAKE NOTICE that, on April 22, 2026, the Plan Trustee of the Congoleum Plan Trust ("Trust") filed the Annual Report, Financial Statements and Results of Operations of the Trust for Fiscal Year Ended December 31, 2025 (the "Annual Report") and its audited financial statements for the same period (the "Audited Financial Statements"). The Annual

Report and the Audited Financial Statements are attached hereto as Exhibits "A" and "A-1," respectively.

Dated: April 22, 2026

THE HON. MARY ANNE MASON (RET.),
PLAN TRUSTEE OF
THE CONGOLEUM PLAN TRUST

By counsel: */s/ Douglas T. Tabachnik*
Douglas T. Tabachnik

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EXHIBIT A

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UNITED STATES DISTRICT COURT
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CONGOLEUM SALES, INC., and	)	**Case No. 03-51524**
CONGOLEUM FISCAL, INC.,	)	
	)	**Jointly Administered**
Reorganized Debtors.	)	

ANNUAL REPORT, FINANCIAL STATEMENTS AND RESULTS OF OPERATIONS OF THE CONGOLEUM PLAN TRUST
FOR FISCAL YEAR ENDED DECEMBER 31, 2025

The Hon. Mary Anne Mason, Ret., the Plan Trustee of the Congoleum Plan Trust (the "Plan Trust"), created pursuant to the Fourth Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code of the Debtors, the Official Asbestos Claimants' Committee, the Official Committee of Bondholders for Congoleum Corporation, *et al.* and the Futures Representative dated as of March 11, 2010 (as modified) (the "Plan"), submits this Annual

Report, Financial Statements and Results of Operations of the Congoleum Plan Trust for Fiscal Year Ended December 31, 2025.[1]

I. Plan Trust Asbestos Claims

Section 2.2(c) of the Plan Trust Agreement requires the Plan Trustee to account to the District Court, regardless of whether the Reorganization Cases are closed, and file an annual report containing financial statements of the Plan Trust and a summary of the number and type of Plan Trust Asbestos Claims disposed of, and the amount paid in respect of such Plan Trust Asbestos Claims, during the period covered by the financial statements.

A. Asbestos Personal Injury Claims

The First Amended Congoleum Plan Trust Distribution Procedures (effective July 7, 2011) (as amended, the "TDP"), the Congoleum Plan Trust Claim Form for Asbestos Personal Injury Claims, the Congoleum Plan Trust Release and other claims-related forms and instructions are available at www.congoleumtrust.com.

1. Payment Percentage and Claims Payment Ratio

The Payment Percentage for 2025 was 8.67%.

In 2025, the Plan Trust paid 971 Asbestos Personal Injury Claims totaling $8,749,043.[2]

Pursuant to Section 2.6 of the TDP, as amended by the Seventh Amendment to the TDP (the "Seventh Amendment"), commencing in calendar year 2017 and continuing through calendar year 2025, the Plan Trust did not apply the Claims Payment Ratio provisions in the

[1] Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Fourth Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code of the Debtors, the Official Asbestos Claimants' Committee, the Official Committee of Bondholders for Congoleum Corporation, *et al.* and the Futures Representative dated as of March 11, 2010 (as modified).

[2] Dollar figure is net of refunds. Amounts reported paid in 2025 are reported on a cash basis.

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TDP subject to the ability of the Plan Trustee, any member of the TAC or the Futures Representative to reinstate the provisions in the manner provided in the Seventh Amendment. Pursuant to Section 2.6 of the TDP, during the time when the Plan Trust is not applying the Claims Payment Ratio, the Plan Trust continues to internally track and maintain records regarding the funds allocated to Category A and to Category B and the payment and approval of claims with respect thereto.[3]

A total of 19 liquidated Category A claims and 1 liquidated Category B claim were in the FIFO Payment Queue (as that term is defined in the TDP) as of December 31, 2025.

2. Claims Statistics for the Fiscal Year Ending December 31, 2025

The Plan Trust received 3,978 Asbestos Personal Injury Claims in 2025. The Plan Trust liquidated and paid 971 claims in 2025. Below is further detail with respect to the claims received and paid by the Plan Trust in 2025.

Total Asbestos Personal Injury Claims received in 2025 =	**3,978**
Total Category A claims received in 2025 =	2,892
Total Category B claims received in 2025 =	1,086
Total Asbestos Personal Injury Claims paid in 2025 =	**971**
Total Category A claims paid in 2025 =	930
Total Category B claims paid in 2025 =	41

[3] Category A claims consist of Asbestos Personal Injury Claims involving severe asbestosis and malignancies (Disease Levels IV – VIII). Category B claims consist of Asbestos Personal Injury Claims involving Other Asbestos Disease (Disease Level I), non-malignant Asbestosis (Disease Level II) or Pleural Disease (Disease Level III).

Since inception of the Plan Trust, the Plan Trust has not approved 307,625 claims consisting of rejected claims, claims with uncured deficiencies, and withdrawn and deferred claims.

B. Allowed Asbestos Property Damage Claims

All Asbestos Property Damage Claims were resolved and paid in 2011, with no Asbestos Property Damage Claims paid since that date.

II. Compensation and Expenses of the Trustees, Trust Advisory Committee and Futures Representative

Pursuant to Sections 4.5(c), 5.6, and 6.5 of the Plan Trust Agreement, the Plan Trust is required to report to the Court the amount of compensation and expenses paid to the Plan Trustee, the Delaware Trustee, the Trust Advisory Committee, and the Futures Representative during the reporting period. Please reference the Special-Purpose Statements of Changes in Net Claimants' Equity Year Ended December 31, 2025 in the Trust's financial statements, attached hereto, for this information.

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Congoleum Asbestos Trust Annual Reports, 2025 annual report
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III. Financial Statements

A copy of the Plan Trust's Audited Special-Purpose Financial Statements For the Years Ended December 31, 2025 and 2024, is attached hereto as Exhibit "A-1."

Dated: April 22, 2026

THE HON. MARY ANNE MASON (RET.),
PLAN TRUSTEE OF
THE CONGOLEUM PLAN TRUST

By counsel: */s/ Douglas T. Tabachnik*
Douglas T. Tabachnik

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EXHIBIT A-1

Congoleum Plan Trust

Special-Purpose Financial Statements and Independent Auditor's Report

December 31, 2025 and 2024

CohnReznick

Congoleum Plan Trust

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Independent Auditor's Report

To the Trustee
Congoleum Plan Trust

Opinion

We have audited the special-purpose financial statements of Congoleum Plan Trust (the "Trust"), which comprise the special-purpose statements of assets, liabilities and net claimants' equity as of December 31, 2025 and 2024, and the related special-purpose statements of changes in net claimants' equity and cash flows for the years then ended, and the related notes to the special-purpose financial statements (collectively, the "Financial Statements").

In our opinion, the accompanying Financial Statements present fairly, in all material respects, the assets, liabilities and net claimants' equity of the Trust as of December 31, 2025 and 2024, and the changes in net claimants' equity and its cash flows for the years then ended, in accordance with the basis of accounting described in Note 2 to the Financial Statements.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Trust and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 2 of the Financial Statements which describes the basis of accounting. The Financial Statements are prepared on a special-purpose basis of accounting which is a basis of accounting other than accounting principles generally accepted in the United States of America. The special-purpose basis of accounting has been adopted by the Trustee to communicate the amount of net claimants' equity presently available to fund current and future claims. As a result, the Financial Statements may not be suitable for another purpose. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with the special-purpose basis of accounting; this includes determining that the special-purpose basis of accounting is an acceptable basis for the preparation of the Financial Statements in these circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the Financial Statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the Financial Statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the Financial Statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Trust's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audits.

Restriction of Use

This report is intended solely for the information and use of the management of the Trust, the Trustee, the beneficiaries of the Trust and the United States District Court for the District of New Jersey ("District Court") and is not intended to be and should not be used by anyone other than these specified parties. Upon filing with the District Court, the report is a matter of public record, which public filing does not expand the list of specified users.

CohnReznick LLP

Frisco, Texas
April 21, 2026

Congoleum Plan Trust

Special-Purpose Statements of Assets, Liabilities and Net Claimants' Equity
December 31, 2025 and 2024

Assets

	2025	2024
Cash and cash equivalents	$ 6,320,061	$ 16,749,580
Investments, at fair value	124,200,226	116,585,794
Alternative investments, at fair value	13,810,893	9,851,423
Investment income receivable	1,153,982	1,296,845
Prepaid expenses	88,337	32,524
Federal income tax receivable	2,500,000	-
Prepaid federal income taxes	600,000	2,575,000
Total assets	$ 148,673,499	$ 147,091,166

Liabilities and Net Claimants' Equity

Settled claims payable	$ 139,093	$ 692,952
Accounts payable and accrued expenses	451,186	150,669
Total liabilities	590,279	843,621
Net claimants' equity	$ 148,083,220	$ 146,247,545

See Notes to Special-Purpose Financial Statements.

Congoleum Plan Trust

Special-Purpose Statements of Changes in Net Claimants' Equity
Years Ended December 31, 2025 and 2024

	2025	2024
Additions		
Insurance recoveries	$ -	$ 699,997
Interest and dividend income, net	4,112,647	5,039,004
Realized gain on sale of investments, net	1,337,266	2,805,861
Unrealized gain on investments, net	7,040,886	-
Cost adjustments on investments	-	23,955
Net change in fair value of alternative investments	90,257	809,091
Other income	500	-
Total additions	12,581,556	9,377,908
Deductions		
Unrealized loss on investments, net	-	1,111,136
Claims settled	8,195,183	10,872,690
Investment advisory fees	512,851	490,353
General and administrative expenses		
Trustee	164,575	206,543
Accounting	260,357	253,176
Claims processing fees	373,584	434,911
Claims consulting and forecasting fees	72,047	28,968
Insurance	70,628	73,547
Future claims representative fees and expenses	183,707	208,433
Professional services		
Trust general counsel	305,900	429,605
TAC attorney fees and expenses	75,249	47,301
Trust legal fees	-	51
Trust litigation counsel fees and expenses	11,400	137,666
Special & local counsel fees and expenses	2,900	8,351
Statutory fees	2,500	2,500
Trust consultant fees	-	21,860
Federal income tax	515,000	-
Total deductions	10,745,881	14,327,091
Net increase (decrease) in net claimants' equity	1,835,675	(4,949,183)
Net claimants' equity, beginning of year	146,247,545	151,196,728
Net claimants' equity, end of year	$ 148,083,220	$ 146,247,545

See Notes to Special-Purpose Financial Statements.

Congoleum Plan Trust

Special-Purpose Statements of Cash Flows
Years Ended December 31, 2025 and 2024

	2025	2024
Cash flows from operating activities		
Net increase (decrease) in net claimants' equity	$ 1,835,675	$ (4,949,183)
Adjustments to reconcile net increase (decrease) in net claimants' equity to net cash used in operating activities		
Net realized (gain) loss on sale of investments	(1,337,266)	(2,805,861)
Net unrealized (gain) loss on investments	(7,040,886)	1,111,136
Amortization of bond premium	1,361,485	1,087,008
Net change in fair value of alternative investments	(90,257)	(809,091)
Cost adjustments on investments	-	(23,955)
Changes in operating assets and liabilities		
Investment income receivable	142,863	212,000
Prepaid expenses	(55,813)	58,411
Federal income tax receivable	(2,500,000)	-
Prepaid federal income taxes	1,975,000	-
Settled claims payable	(553,859)	362,225
Accounts payable and accrued expenses	300,517	2,257
Net cash used in operating activities	(5,962,541)	(5,755,053)
Cash flows from investing activities		
Purchases of investments	(109,857,169)	(10,621,624)
Purchases of alternative investments	(12,454,215)	-
Proceeds from sales of investments	107,972,599	31,008,992
Proceeds from sales of alternative investments	9,871,807	1,554,246
Net cash provided by (used in) investing activities	(4,466,978)	21,941,614
Net increase (decrease) in cash and cash equivalents	(10,429,519)	16,186,561
Cash and cash equivalents, beginning of year	16,749,580	563,019
Cash and cash equivalents, end of year	$ 6,320,061	$ 16,749,580

See Notes to Special-Purpose Financial Statements.

Congoleum Plan Trust

Notes to Special-Purpose Financial Statements
December 31, 2025 and 2024

Note 1 - Organization

The Congoleum Plan Trust (the "Trust") was established on July 1, 2010 and is a Qualified Settlement Fund ("QSF") pursuant to the meaning of Section 1.468B-1 et seq. to the Treasury Regulations promulgated under section 468B of the Internal Revenue Code ("Code"). The Trust was formed to assume Congoleum, Inc.'s liability for all Plan Trust PI Asbestos Claims (whether now existing or arising at any time hereafter).

The Trustee is responsible for supervising and administering the Trust. The Trustee uses the Trust's assets to pay holders of such Plan Trust PI Asbestos Claims in accordance with the Congoleum Plan Trust Agreement ("Trust Agreement") and the Congoleum Plan Trust Distribution Procedures ("TDP") in such a way that holders of Plan Trust PI Asbestos Claims are treated fairly, equitably and reasonably in light of the limited assets available to satisfy such claims, and to otherwise comply in all respects with the requirements of a trust set forth in Section 524(g)(2)(B) of the United States Bankruptcy Code.

Note 2 - Summary of significant accounting policies

Basis of presentation

The Trust's special-purpose Financial Statements ("Financial Statements") are prepared using special-purpose accounting methods adopted by the Trust and the Trustee, which differ from accounting principles generally accepted in the United States of America ("GAAP"). The special-purpose accounting methods were adopted in order to communicate to the beneficiaries of the Trust the net claimants' equity available for the payment of claims and the related operating expenses of the Trust. Since the Financial Statements and transactions are not based upon GAAP, accounting treatment by other parties for these same transactions may differ as to timing and amount. The special-purpose accounting methods include the following:

- Investments are recorded at fair value. All interest and dividend income, net of investment expenses, are included in the accompanying special-purpose statements of changes in net claimants' equity. Net realized and unrealized gains (losses) on investments are recorded as a net addition (deduction) in the special-purpose statements of changes in net claimants' equity. Cost of alternative investments is calculated on a tax basis. Under GAAP, cost of alternative investments is typically determined using a specific identification or average cost basis. In addition, under GAAP, the Financial Statements would require additional disclosures related to fair value.
- Amortization and accretion of bond premiums or discounts is included in interest and dividend income, net. Under GAAP, it would be shown gross as a component of interest expense or interest income.
- Insurance recoveries are not recorded until the funds are received from the insurance carriers. These recoveries come from various insurance settlements, which were obtained by entities which assigned the rights to such policies to the Trust or were negotiated by the Trust. Under GAAP, insurance recoveries would be recorded upon settlement and assurance of collectability.
- Future fixed liabilities under contractual obligations and other agreements entered into by the Trust are recorded as deductions in the same period that such contractual obligations or agreements are signed. Under GAAP, liabilities and contractual obligations are recorded over the period that is benefited by the underlying contract or agreement.
- The full amounts of claims are generally treated as deductions from net claimants' equity in the period in which the settled claims are approved for payment. A settled claim is a claim that has been accepted by the claimant, with an executed release submitted to the Trust, and approved by the Trustee. Under GAAP, a liability would be recorded for an estimate of the amount to be paid for claims that have been incurred but not yet reported, and for those claims that have been submitted but not yet approved for payment by the Trust.

- Income tax expense (benefit) is estimated and recorded as incurred in the period in which certain income and expense items affect current federal income taxes. Income tax refunds are recorded when cash is received by the Trust. Under GAAP, the provision for income taxes is recorded based upon income (loss) reported for special-purpose financial statement purposes, which includes federal income taxes both currently payable and changes in deferred taxes due to differences between financial reporting and tax bases of assets and liabilities. Additionally, GAAP requires all tax positions to be reviewed using a more likely than not threshold for financial statement recognition of tax assets and a liability to be recorded for an uncertain tax position taken or expected to be taken beyond this threshold.

Use of estimates
The preparation of Financial Statements requires the management of the Trust to make estimates and assumptions that affect the reported amounts of certain assets and liabilities and the disclosure of contingent assets and liabilities at the date of the Financial Statements, as well as the reported amounts of additions and deductions to net claimants' equity during the reporting periods. Actual results could differ from those estimates, and such differences could have a material effect on net claimants' equity.

Cash equivalents
The Trust considers all highly-liquid investments with original maturity of three (3) months or less to be cash equivalents.

Investments
Investments are stated at fair value. See Notes 3 and 4. Changes in unrealized gains and losses are recorded as increases and decreases to net claimants' equity. Realized gains and losses on sales of investments, other than alternative investments, are determined using the specific identification method. The Trust records transactions on a trade-date basis. Dividend income is recorded on the ex-dividend date. Investment income is recognized when earned. Premiums or discounts on bonds are amortized or accreted on the effective interest method. Any unearned interest and dividend income are recorded as investment income receivable.

Settled claims payable
Settled claims payable consist of certain claims that are settled but unpaid at year-end. A settled claim is a claim that has been accepted by the claimant, with an executed release submitted to the Trust, and approved by the Trustee. An unpaid claim is a claim that has been approved for payment by the Trustee but cannot be paid due to annual cap limitations or has been authorized by the Trustee and not paid. Unpaid claims that are a result of annual cap limitations are recorded when settled.

The ultimate number of Plan Trust Asbestos PI Claims to be filed and the liability for all such claims are not determinable at this time. The net claimants' equity at December 31, 2025 and 2024 represents funding available for all Asbestos Claims for which no fixed liability has yet been established.

Accounts payable and accrued expenses
Accounts payable and accrued expenses consist of outstanding invoices associated with managing the Trust.

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Trustee fee
The Trustee fee includes the Trustee's compensation, provided under Section 4.5 of the Trust Agreement.

Income taxes
The Trust is classified as a QSF pursuant to the Code in the United States of America federal jurisdiction. As a result, the Trust is subject to federal income taxes based on modified gross income, as defined by the Code. In the opinion of the Trustee and advisors, the Trust is not subject to state income taxes and, therefore, the Financial Statements do not include any provision or liability for state income taxes. The funding received at the inception of the Trust as well as any subsequent funding received from insurers does not represent taxable income to the Trust. In addition, payments to claimants do not represent tax deductions of the Trust. The Trust reports tax-related interest and penalties as a component of income tax expense.

The Trust records income tax expense (or benefit) associated with amounts payable (or receivable) under current federal income taxes and does not record a provision for (or benefit from) deferred taxes. Accordingly, there is no provision for deferred taxes associated with changes in cumulative unrealized gains and losses on investments. The income taxes associated with gains on investments will be recorded in the Trust's Financial Statements when the net gains are realized (i.e. the securities are sold) and the taxes become currently payable. In addition, there is no provision for deferred taxes associated with any future benefit from the potential use of net operating or capital loss carryforwards to reduce taxable income in future years.

The Trust's federal income tax returns are generally subject to income tax examination by the Internal Revenue Service ("IRS") for a period of three years from the date the tax returns are filed. The Trust is generally no longer subject to income tax examinations by the IRS for the years ended December 31, 2021 and prior.

Risk and uncertainties
Certain of the Trust's assets are exposed to credit risk. Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limits. The Trust has not experienced any losses in such accounts, and does not believe it is exposed to any significant credit risk.

The Trust invests in a professionally managed investment portfolio that contains common shares of publicly traded companies, corporate and government obligations, and alternative investments. Such investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investment will occur in the near term and such changes could materially affect the Trust's portfolio and the amounts reported in the Financial Statements.

Subsequent events
The Trust has evaluated events and transactions subsequent to the date of the Financial Statements for matters requiring recognition or disclosure in the Financial Statements. The accompanying Financial Statements consider events through April 21, 2026, the date which the Financial Statements were available to be issued.

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Congoleum Plan Trust

Notes to Special-Purpose Financial Statements
December 31, 2025 and 2024

Note 3 - Investments, at fair value

Investments, at fair value, consist of the following at December 31:

	2025		
	Cost	Fair Value	Unrealized gains (losses), net
Equities	$ 24,003,407	$ 32,523,057	$ 8,519,650
Bonds	91,366,156	91,677,169	311,013
Total	$ 115,369,563	$ 124,200,226	$ 8,830,663

	2024		
	Cost	Fair Value	Unrealized gains (losses), net
Equities	$ 5,629,210	$ 9,671,030	$ 4,041,820
Bonds	108,588,779	106,914,764	(1,674,015)
Total	$ 114,217,989	$ 116,585,794	$ 2,367,805

The maturities of the Trust's investments in bonds are as follows as of December 31:

	2025				
	Less than 1 Year	After 1 year Through 5 Years	After 5 Years Through 10 Years	After 10 Years	Total
Bonds	$ 4,075,599	$ 29,967,291	$ 11,674,196	$ 45,960,083	$ 91,677,169

Note 4 - Fair value measurements

The Trust's investments are recorded at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability between market participants in an orderly transaction on the measurement date. The market in which the reporting entity would sell the asset or transfer the liability with the greatest volume and level of activity for the asset or liability is known as the principal market. When no principal market exists, the most advantageous market is used. This is the market in which the reporting entity would sell the asset or transfer the liability with the price that maximizes the amount that would be received or minimizes the amount that would be paid. Fair value is based on assumptions market participants would make in pricing the asset or liability. Generally, fair value is based on observable quoted market prices or derived from observable market data when such market prices or data are available. When such prices or inputs are not available, the Trust would use valuation models.

Congoleum Plan Trust

Notes to Special-Purpose Financial Statements
December 31, 2025 and 2024

The Trust's assets recorded at fair value on a recurring basis are categorized based on the priority of the inputs used to measure fair value. The inputs used in measuring fair value are categorized into three levels, as follows:

- Level 1: Inputs that are based upon quoted prices for identical instruments traded in active markets.
- Level 2: Inputs that are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar investments in markets that are not active, or models based on valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the investment.
- Level 3: Inputs that are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques that include option pricing models, discounted cash flow models, and similar techniques.

Alternative investments measured using net asset value ("NAV") as a practical expedient are not categorized within the fair value hierarchy.

The following section describes the valuation methodologies the Trust uses to measure its financial assets at fair value:

Equities: Valued at the closing price reported in the active market on which the individual securities are traded.

Bonds: Valued using the documented trade price if trading in an active market. Otherwise, a metrics system is provided by the pricing vendors.

Alternative investments: Valued based on the NAV provided using the Trust's proportionate share of each fund's net assets. The NAV is used as a practical expedient to estimate fair value.

Assets measured at fair value on a recurring basis are summarized below:

	As of December 31, 2025			
	Total	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 6,320,061	$ 6,320,061	$ -	$ -
Equities	32,523,057	32,523,057	-	-
Bonds				
Municipal	91,677,169	-	91,677,169	-
Total Bonds	91,677,169	-	91,677,169	-
Alternative Investments at NAV	13,810,893			
Total assets at fair value	$ 144,331,180	$ 38,843,118	$ 91,677,169	$ -

Congoleum Plan Trust

Notes to Special-Purpose Financial Statements
December 31, 2025 and 2024

	As of December 31, 2024			
	Total	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 16,749,580	$ 16,749,580	$ -	$ -
Equities	9,671,030	9,671,030	-	-
Bonds				
Corporate	15,779,701	-	15,779,701	-
Municipal	91,135,063	-	91,135,063	-
Total Bonds	106,914,764	-	106,914,764	-
Alternative Investments at NAV	9,851,423			
Total assets at fair value	$ 143,186,797	$ 26,420,610	$ 106,914,764	$ -

During the year ended December 31, 2025, the Trust liquidated the majority of its real estate investment trust ("REIT") investments held during 2024 and, with the assistance of its managers and advisors, invested in four new alternative investments. The Trust's alternative investment objectives are to achieve long-term capital appreciation while managing volatility across different market environments. The alternative investments generally seek to generate favorable risk-adjusted returns through diversified, actively managed investment strategies across public and private markets. These strategies include opportunistic and credit-oriented approaches designed to complement the Trust's overall investment program. The Trust's alternative investments generally permit redemptions on a periodic basis, with redemption frequencies ranging from quarterly to annually and notice periods that vary between approximately 30 and 95 days.

The table below sets forth a summary of changes in the fair value of the Trust's alternative investments for the years ended December 31:

	2025	2024
Balance at the beginning of the year	$ 9,851,423	$ 10,682,231
Purchases	12,454,215	-
Liquidations / distributions	(9,871,807)	(1,554,246)
Realized gains (losses)	1,286,805	(85,653)
Net change in fair value	90,257	809,091
Balance at the end of the year	$ 13,810,893	$ 9,851,423

At December 31, 2025, the Trust has unfunded commitments related to alternative investments of $1,250,000.

Note 5 - Insurance recoveries

As described in Note 2, the Trust records insurance recoveries when the cash proceeds are received and available for the payment of claims. During the year ended December 31, 2024, the Trust received insurance recoveries of approximately $700,000. No insurance recoveries were received in 2025.

Note 6 - Income taxes

During the year ended December 31, 2025, the Trust paid income taxes of $1,040,000 and recorded income tax expense of $515,000, resulting in prepaid income taxes of $600,000 at year end. During the year ended December 31, 2024, the Trust did not pay income taxes and did not record income tax expense. As of December 31, 2025, the Trust had no remaining net operating loss or capital loss carryforwards.

As of December 31, 2024, the Trust had an overpayment of $2,575,000 related to federal income taxes filed for the year ended December 31, 2022, which was recorded as prepaid federal income taxes. On its 2023 federal income tax return, the Trust requested a refund of $2,500,000 and elected to apply approximately $75,000 to its 2024 estimated tax payments. As of December 31, 2025, the $2,500,000 refund had not yet been received and is recorded as federal income tax receivable in the accompanying special-purpose statements of assets, liabilities and net claimants' equity.

As disclosed in Note 2 to the Financial Statements, the Trust does not record a provision for (or benefit from) deferred taxes. Accordingly, there is no provision for deferred taxes associated with net operating loss carryforwards, net capital loss carryforwards, or unrealized gains and losses on investments.

Note 7 - Claims settled

For the year ended December 31, 2025, the Trust settled 917 claims totaling $8,195,183, including 21 claims totaling $139,093 that were settled but not paid as of December 31, 2025. The Trust paid 971 claims totaling $8,749,042 during the year ended December 31, 2025.

For the year ended December 31, 2024, the Trust settled 1,140 claims totaling $10,872,690, including 75 claims totaling $692,952 that were settled but not paid as of December 31, 2024. The Trust paid 1,110 claims totaling $10,510,465 during the year ended December 31, 2024.

Note 8 - Contingent liabilities

The Fourth Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code subjects the Trust to certain reimbursement and indemnification obligations that may result in future claims against the Trust.

The probability of such claims cannot be reasonably determined. Accordingly, no associated liability has been recorded in the accompanying Financial Statements. Such claims, if any, are not expected to be material.

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